

Montana Education Savings Account

Montana Credit Unions Helping Montana Students Invest in a Montana Education

Montana Credit Unions for Community Development is helping Montana students get one step closer to achieving their dreams of higher education and financial stability. With funding from Assets for Independence (AFI) the Montana Education Savings Account (MESA) programs are helping hardworking Montana residents invest in their education at Montana schools.

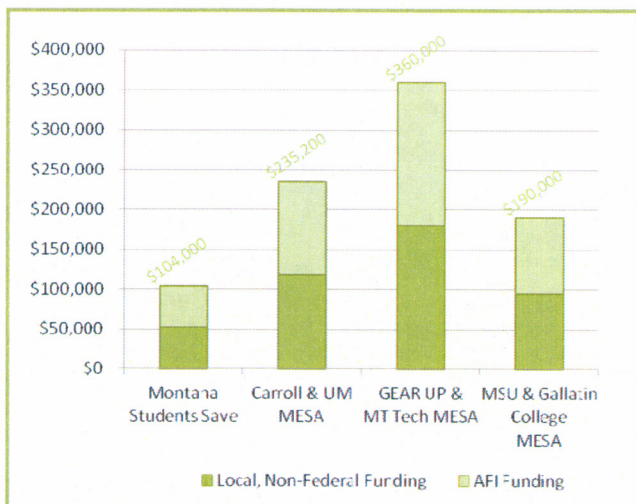
In 2005, Montana Credit Unions for Community Development (MCUCD) teamed up with the Student Assistance Foundation (SAF) to develop Montana Students Save (MSS)—a matched savings program to helping 38 Montana students with financial assistance to pursue higher education.

Participating in the MESA program is more than just saving and earning money for school, each participant receives valuable financial education enabling them to make well-informed choices and continue to build their assets long after the program ends. Additionally, students receive one-on-one support from credit union and SAF staff.

MCUCD has leveraged the success of the MSS program to continue supporting Montana residents in pursuit of their post-secondary education. In 2010, MCUCD collaborated with SAF, Carroll College and the University of Montana to launch the Montana Education Savings Account (MESA) program. With the funding received from AFI, this first Montana MESA program will help 98 students earn nearly \$200,000 in match.

With outstanding student loan debt passing \$1 trillion, students need innovative programs like the IDAs to help supplement the gap in funding, reduce student debt, and increase student retention. Funding made available through Assets for Independence is helping Montanans now and in the future to afford higher education. With five Montana schools currently offering a MESA program to their students, MCUCD continues to focus on expanding these opportunities across the state. The MESA programs funded by AFI will help over 350 hardworking Montana students pursue their education in Montana over the next five years. Translating into nearly a million dollars invested in Montana higher education.

38 Montana Students Save participants saved \$19,688. They made 80 qualified withdrawals totaling \$17,756 and earned \$97,838 in matched funds for a total investment in higher education of \$115,594.



Impact of AFI Funds for Montana Students

Montana Students Save (funded)	\$115,594
Carroll & UM MESA (funded)	\$199,920
GEAR UP & MT Tech MESA (funded)	\$306,000
MSU & Gallatin College MESA (funded)	\$161,500

350+ students will....

Save at least	\$178,500
Earn match totaling	\$783,014
Invest in Montana schools	\$961,514

Rebecca Lapka is a nursing student at Carroll College in Helena. Currently a junior, the Ovando native is putting herself through school by working as much as she can, getting scholarships where possible, and taking out student loans to cover the balance. In January 2011, Rebecca got a huge boost when she responded to an email from the financial aid office and signed up to be one of the first participants in the Montana Education Savings Account (MESA) program at Carroll.

A matched-savings program, MESA is funded by the college and a federal *Asssets for Independence* (AFI) grant administered by MCUCD. Six months after signing up, Rebecca had saved \$500 (with monthly deposits of at least \$25) and taken a financial education course. In return, she qualified for a \$4,000 match that she has been using this school year to pay for tuition, fees, and textbooks. "I'd never heard of anything like it ... it was almost too good to believe," Rebecca remembers. "MESA kept me on my feet through this year, and after working this summer, I'll have saved enough to be able to finish without nearly as many student loans as I'd feared."

"I really appreciate what Montana credit unions are doing for students in the state. It's so important to help the next generation. I've moved everything to Rocky Mountain CU, and I'm staying with credit unions from now on."

—Rebecca Lapka

MESA has cemented Rebecca's commitment to become an RN and made it easier to pursue her dream of being a nurse in a small town in rural Montana ... and, Rebecca's not alone. In the next five years, MESA will be helping more than 350 Montana students pursue their education at one of Montana's colleges or universities.

Just five years ago, Cathy Ortiz had no home of her own, no car, no job, and little hope for the future. She and her high-school-aged son were living in Libby, Montana on public assistance. One day, Cathy saw a flyer for RURAL Montana Saves, a program to help people attend post-secondary school. The flyer said that participants would qualify for a match of \$1,500 if they saved \$500 and completed the program

"The journey I started over two years ago has been nothing short of a miracle. I love my new career and am proud to have a worthwhile profession."

—Cathy Ortiz

requirements. Cathy was skeptical, but she saved the number and eventually called. That call changed her life.

Cathy was actually eligible for two matched savings programs: Montana Students Save and Rural Montana Saves. MCUCD partnered with the Student Assistance Foundation and, in the case of Rural Montana Saves, Rural Employment Opportunities to create both programs. Local credit unions administer participants' savings accounts.

To successfully complete the program, Cathy saved a little each month and took a financial education course. Since her savings account was at Kootenai Valley FCU, she also received one-on-one support from Manager Betty Willman. She saved \$1,000 on her own and qualified for a total match of \$4,500, giving her \$5,500 to complete her education at the Montana School of Massage in Missoula. She graduated in April 2010 and is now a Certified Massage Therapist.